

# TELEGRAM

Foreign Service of the  
United States of America

OUTGOING AmEmbassy, Rio de Janeiro

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Charge: Wmbassy

Control: 79

Date: November 3, 1965  
2027

ACTION: SecState WASHINGTON 1006 PRIORITY

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Ref: Deptel 650.

Subject: Material for possible use for Secretary during Rio Conference.

1. Possible press questions and suggested replies:

Q. -1 The Secretary is likely to be asked to characterize Brazilian

Government, probably with loaded questions asking whether U.S. approves  
of GOB with particular reference to Second Institutional Act.

A. First of all, let me make it clear that we consider recent

events in Brazil to be internal matter. I am not here to pass judgment

on this government but to attend conference of Foreign Ministers on

Hemisphere affairs. The press in many countries has expressed opinions

on modifications in the Brazilian Government, and I must say, not all of

those opinions appeared to be based on factual knowledge of Brazilian

affairs. I don't believe it would serve any useful purpose for me to add

my views on what was a Brazilian decision on how to meet a Brazilian

situation. I might add, however, that the United States aid program to

Brazil will continue as approved at the CIAP meeting last month under

the criteria adopted at Punta del Este. We believe that a unilateral

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Rio Conference

## BRASÍLIA

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decision on the part of the United States to stop aid to this country/~~which~~  
serve no useful purpose and would undermine efforts of this government  
to carry on the social and economic reforms as well as the economic  
development program that has been undertaken since April of 1964 and  
is an integral part of the Alliance for Progress. We wish Brazil well in  
this effort.

Q. -2 Will President Johnson visit Brazil?

A. ~~I believe I answered that question in my previous statement.~~

President Johnson has told me that he wants to visit Brazil but that  
his preoccupation with other international problems  
~~circumstances~~/at time a visit was being considered and his recent  
operation have forced him for time being at least to forego plans for  
such travel.

Q. -3 Why hasn't U. S. private investment come to Brazil?

A. In fact U. S. companies have invested over a billion dollars  
in Brazil's present and future, but I presume you are referring to recent  
decrease in the rate of investment. As you know private investm<sup>ent</sup>  
abroad involves many considerations and it is not always possible to  
pinpoint any single reason why investment in a given area has not come

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up to expectations. The Brazilian Government has taken a number of steps to encourage foreign investors, most recent was signing of an investment guarantee agreement with the U. S. Brazil is large and developing country and I am confident additional foreign capital will soon be invested here. In fact I can assure you that some important companies major have recently made favorable decisions regarding investment in Brazil. The announcement of these plans will of course be made by the companies ~~themselves and I cannot at liberty to disclose these plans to you at this time~~ themselves.

Q. -4 Will U. S. Government continue financial assistance to Brazil?

A. Yes, U. S. Government will continue to give aid to Brazil

within Alliance for Progress concepts both of our governments and the which are signatories of the Charter of other nations of the Hemisphere/~~except Cuba signed at Punta del Este.~~ program warmly endorsed

The Brazilian/~~plan~~ was recently/~~approved~~ by the CIAP members and United States is supporting that program of investment in Brazil's future as well as encouraging international organizations and our friends in Europe to assist with needed financing.

The United States Government has participated in programs that have made nearly a billion and a half dollars available to Brazil from 1962 through fiscal year 1965 which ends next July. Total of U. S.

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~~XXXXXX~~ aid to Brazil since April 1, 1964 to June 30 of this year alone amounted to 707.5 million dollars, so you see, we believe in Brazil's ~~future~~ future.

Has U.S. asked

Q. -5 ~~XXXXXX~~/Brazil send troops to Viet Nam? ~~at present we are not in a~~

A. U.S. has never asked Brazil to send troops to South Viet Nam.

Nor have we asked other countries of Hemisphere to send their troops there. Last year Government of South Viet Nam did ask nations of non-communist world to lend whatever moral or material assistance they could to the struggle against communist invasion of South Viet Nam. Brazil responded with a shipment of coffee and drugs and your Foreign Minister has stated that Brazil supports South Vietnamese Government in ~~the~~ struggle against communist aggression from North Viet Nam and Communist China.

Q. -6 Since primary purpose of this conference is to establish an Inter-American Peace Force, (then related questions). (This is accepted as "fact" by many newsmen here, not only by leftists.)

A. Purpose of this conference is not to establish an Inter-American Peace Force. We are here to discuss ways of strengthening

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the Organization of American States in order to make it a more responsive organ of consultation and action to help meet Hemisphere problems. Other topics on agenda deal with machinery for peaceful settlement of disputes and with economic and social problems. The question of an IAPF may of course arise in informal discussions, but it ~~will not be taken up~~ <sup>has not been proposed</sup> as a subject ~~of conference~~ for formal consideration.

Q. 7 Will there be a second conference? If so, why?

A. Whether another conference of foreign ministers is held soon is matter for this meeting to decide. It is my view that foreign ministers should meet often. It has been a long time since a meeting like this one has been held, and I doubt that we will be able to cover all items that we might usefully discuss during this conference. Also, if it is agreed that some changes should be made in Charter, then an Article 111 meeting will have to be convened to take this action. In any case, I would favor another chance to meet with my colleagues at early date to follow up on some of the things we talk about here during the next few days.

Q. -8 Does United States intend to do more on commodity price stabilization?

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A. The problem of providing for stable prices for commodities such as coffee and cacao as well as minerals has been with us a long time, and I believe we have made significant progress in this field. The United States is participating in a coffee agreement and would like to see similar some such as cacao and sugar. kinds of agreements on/other commodities/ We are also ready to seek new ways to stabilize prices and protect consumers as well as producers from drastic price fluctuations we have seen in past. We agree with those that say such measures are essential if Alliance for Progress is to succeed in task of providing goods and services ~~needed~~ needed to meet goals set at Punta del Este.

Q. -9 Has General Alvim's authority as Commander of the Inter-American Peace Force ever been infringed by an American military or civilian directive?

It is

A. ~~It is~~/agreed by all that General Alvim has done an effective, professional job as Commander of the IAPF. He was chosen for job because of his experience and competence. As Commander of the IAPF he has full confidence of all participants in the force in Dominican Republic. His deputy, General Bruce Palmer, despite some allegations which

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appeared in the press several months ago, is just that --his deputy. In a situation of this kind you will understand that there must be broadest kind of cooperation among all elements involved -- the OAS, the provisional government, and diplomatic observers on scene. But as far as military directives and commands are concerned, these are prerogatives of General Alvim and there has never been an attempt to place them in other hands.

Q-10 Can you assess role played in the Dominican Republic by the Brazilian contingent to LAPP?

A. Brazilian contingent is the second largest in the Dominican Republic. Brazilian soldiers have maintained high standard of discipline and conduct and have made valuable contribution to restoration of peace in that troubled country. U.S. military personnel have found it a pleasure to work with them.

2. Arrival statement:

Mrs. Rusk and I are particularly pleased to be in Rio for this historic Inter-American Conference. We have been looking forward to this trip for some time. My earlier visits were as President of Rockefeller Foundation, when I became deeply interested in problems of education and

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development in Brazil. On this occasion, apart from work of the Conference, we hope to be able to enjoy once again Rio's world famous beauty and to get at least some firsthand impression of the progress that has taken place in this dynamic and expanding nation.

When I said earlier that this is an historic Inter-American Conference, I meant that I have every expectation that it will lead to major measures to strengthen the inter-American system and increase its ability to meet the challenges of the last third of the twentieth century. It is important that the nations of this hemisphere through their leaders have a continuing exchange of views as they strive to coordinate their efforts to fulfill the legitimate desires of their peoples for a better life. The OAS has stood the test of time; it has shown that the nations of this hemisphere can settle differences peacefully among themselves and work together for the common good. At this meeting of the supreme organ of the OAS it is my hope to join with my Latin American colleagues in improving our collective capacity to do both of these things.

Brazil has played a major role in the OAS since its foundation.

Recently it has contributed a great deal to the restoration of peace in the

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Dominican Republic. I have no doubt that under the leadership of her able and dedicated Foreign Minister this conference will mark another important milestone on the road to hemishpheric solidarity and friendship.

3. Departure statement:

During my stay in Rio de Janeiro I have been occupied almost exclusively with the affairs of the OAS Conference. A most fruitful part of this for me personally has been the opportunity to meet and talk with the Foreign Ministers of the American Republics. We do not often find ourselves gathered in one place and it has been especially gratifying to me to be able to confer at some length with my Latin American colleagues.

At this point I must add that the city of Rio de Janeiro has provided a beautiful backdrop for our labors. And I would like to take this opportunity to congratulate the people of Rio de Janeiro on the 400th anniversary of their city. We were happy to have been able to send several artistic groups to Rio this year to help the city celebrate this significant occasion.

We have covered a great deal of ground at the Conference so far in analyzing issues and problems which naturally arise within a living and growing system such as the OAS. And needless to say some of the problems

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are imposed upon us from beyond our borders.

The business of the Conference is proceeding smoothly. All of it was not conducted in the committee meetings and plenary sessions by any means. One of the great advantages of gatherings such as this is the opportunity for informal contact and conversation among the delegates. Diplomatic negotiations are often unglamorous and perhaps somewhat tedious but we are finding areas of agreement which will prove of the utmost importance to all our countries in the years ahead. I believe that the Conference is accomplishing what it set out to do, namely, to lay the firm foundation for future cooperation and concrete action in areas which are of mutual interest and mutual concern.

GORDON



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